

Exhibit 2

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE ("*Assignment*") is entered into as of September 24, 2018 ("*Effective Date*") by and between SERITAGE SRC FINANCE LLC, a Delaware limited liability company ("*Assignor*"), and MCG ROCK HILL, LLC, a North Carolina limited liability company ("*MCG*"), and VCP ROCK HILL STORAGE, LLC, a Georgia limited liability company ("*VCP*"; MCG and VCP are referred to herein collectively as "*Assignee*"), as tenants in common.

RECITALS:

A. Assignor is the owner of that certain real property and improvements located in the City of Rock Hill, County of York, South Carolina, having a street address of 2302 Cherry Road, as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference (the "*Property*").

B. Assignor has agreed to sell to Assignee and Assignee has agreed to purchase the Property in accordance with the terms and conditions of a certain Real Estate Purchase Agreement between Assignor and Madison Capital Group LLC, as predecessor in interest to Assignee, dated as of July 25, 2018 (as the same may have been amended, modified and/or assigned, the "*Agreement*").

C. The Property is currently subject to that certain Lease between Assignor, as landlord, and Kmart Operations LLC, a Delaware limited liability company ("*Tenant*"), as tenant, dated as of _____, 2018 (the "*Tenant Lease*").

D. Assignor desires to assign Assignor's rights under the Tenant Lease to Assignee and Assignee desires to assume Assignor's obligations thereunder from and after the Effective Date.

NOW, THEREFORE, for and in consideration of the sum of One Dollar (\$1.00), paid by Assignee to Assignor, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Effective as of the Effective Date, Assignor does hereby assign, transfer and set over to Assignee all of Assignor's right, title and interest in and to the Tenant Lease subject, however, to all of the covenants, terms, conditions and provisions thereof.

2. Assignee covenants and agrees to assume, keep and perform, from and after the Effective Date, all of the terms, covenants and conditions contained in the Tenant Lease required to be kept and performed by the owner or landlord thereunder arising on or after the Effective Date. Assignee hereby agrees to indemnify, defend and save Assignor harmless from and against any and all liabilities, obligations, costs, expenses, claims, actions and damages by reason of any default of Assignee as landlord under the Tenant Lease with respect to any period or any circumstances arising on or after the Effective Date.

3. This Assignment shall be governed and construed in accordance with the laws of the State where the Property is located, without giving effect to any conflicts of laws provisions thereof.

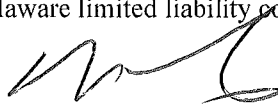
4. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. This Assignment may be executed in multiple identical counterparts all of which, when taken together, shall constitute one document.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date set forth below their respective signatures, effective as of the Effective Date.

ASSIGNOR:


Seritage SRC Finance LLC,
a Delaware limited liability company

By: 
Printed Name: **Matthew Fernand**
Title: **Vice President**

STATE OF NEW YORK §
§
COUNTY OF NEW YORK §

Before me, a Notary Public in and for said County and State, personally appeared Matthew Fernand, the Vice President of **Seritage SRC Finance LLC**, a Delaware limited liability company, on behalf of such entity, who acknowledged that s/he did sign the foregoing instrument on behalf of such entity and that the same is his/her free act and deed and the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at _____, this 18th day of September 2018.



Notary Public
My commission expires: _____

JODIEANN NELSON
NOTARY PUBLIC-STATE OF NEW YORK
No. 01NE6266888
Qualified in Kings County
My Commission Expires 08-06-2020

(Assignor's Signature Page to Assignment and Assumption of Lease)

ASSIGNEE:

MCG Rock Hill, LLC,
a North Carolina limited liability company

By: Madison Capital Group LLC, its Manager

By: Ryan L. Hanks
Ryan L. Hanks, Manager

VCP Rock Hill Storage, LLC,
a Georgia limited liability company

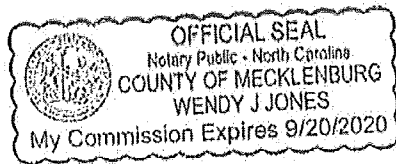
By: SEA Holdings, LLC, the Manager

By: _____
Print Name: _____
Title: _____

STATE OF North Carolina §
§
COUNTY OF Mecklenburg §

Before me, a Notary Public in and for said County and State, personally appeared Ryan L. Hanks, Manager of Madison Capital Group LLC, the Manager of **MCG Rock Hill, LLC**, a North Carolina limited liability company, on behalf of such entity, who acknowledged that he did sign the foregoing instrument on behalf of such entity and that the same is his free act and deed and the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Mecklenburg County, North Carolina, this 24th day of September 2018.



Wendy J. Jones
Notary Public
My commission expires: 9/20/2020

STATE OF _____ §
§
COUNTY OF _____ §

Before me, a Notary Public in and for said County and State, personally appeared _____, _____ of SEA Holdings, LLC, the Manager of **VCP Rock Hill Storage, LLC**, a Georgia limited liability company, on behalf of such entity, who acknowledged that he did sign the foregoing instrument on behalf of such entity and that the same is his free act and deed and the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at _____, _____, this _____ day of _____ 2018.

Notary Public
My commission expires: _____

(Assignee's Signature Page to Assignment and Assumption of Lease)

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date set forth below their respective signatures, effective as of the Effective Date.

ASSIGNOR:

Seritage SRC Finance LLC,
a Delaware limited liability company

By: _____
Printed Name: _____
Title: _____

STATE OF NEW YORK §
 §
COUNTY OF NEW YORK §

Before me, a Notary Public in and for said County and State, personally appeared _____, the _____ of **Seritage SRC Finance LLC**, a Delaware limited liability company, on behalf of such entity, who acknowledged that s/he did sign the foregoing instrument on behalf of such entity and that the same is his/her free act and deed and the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at _____, _____, this _____ day of _____ 2018.

Notary Public
My commission expires: _____

(Assignor's Signature Page to Assignment and Assumption of Lease)

ASSIGNEE:

MCG Rock Hill, LLC,
a North Carolina limited liability company

By: Madison Capital Group LLC, its Manager

By: _____
Ryan L. Hanks, Manager

VCP Rock Hill Storage, LLC,
a Georgia limited liability company

By: SEA Holdings, LLC, its Sole Member and
Manager

By: _____
Print Name: JAMES W. FREEMAN
Title: MANAGER

STATE OF _____ §
COUNTY OF _____ §

Before me, a Notary Public in and for said County and State, personally appeared Ryan L. Hanks, Manager of Madison Capital Group LLC, the Manager of **MCG Rock Hill, LLC**, a North Carolina limited liability company, on behalf of such entity, who acknowledged that he did sign the foregoing instrument on behalf of such entity and that the same is his free act and deed and the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at _____, this _____ day of _____ 2018.

Notary Public
My commission expires: _____

STATE OF GEORGIA §
COUNTY OF FULTON §

Before me, a Notary Public in and for said County and State, personally appeared JAMES W. FREEMAN, MANAGER of SEA Holdings, LLC, the Manager of **VCP Rock Hill Storage, LLC**, a Georgia limited liability company, on behalf of such entity, who acknowledged that he did sign the foregoing instrument on behalf of such entity and that the same is his free act and deed and the free act and deed of said entity.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at ATLANTA, GEORGIA, this 24th day of September 2018.

Brian C Baummer
NOTARY PUBLIC
Fulton County, GEORGIA
My Comm. Expires 12/20/2021

Notary Public
My commission expires: 12/20/2021

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

All that certain piece, parcel or tract of land, containing 10.30 acres, more or less, situate, lying and being in the City of Rock Hill, York County, South Carolina, described in that certain Plat entitled "Property Surveyed for Beaty Shopping Center Partnership," prepared by J. B. Fisher, South Carolina Registered Land Surveyor 4179-B, dated February 14, 1997, revised October 24, 1997, recorded in Plat Book 287, Page 4, Office of the Clerk of Court for York County, South Carolina, and being more particularly described according to said Plat as follows:

Beginning at a ½" rebar on the southeastern edge of the right-of-way of Cherry Road, said beginning point being located S. 42-09-20 W. 766.84 feet from a PK nail in the centerline of the intersection of Cherry Road and Anderson Road (U. S. Highway #21 By-Pass); thence leaving the right-of-way of Cherry Road, and running with the line of property, now or formerly, owned by Beaty Shopping Center Partnership, S. 41-44-04 E. 30.64 feet to a ½" rebar; thence S. 15-27-53 W. 159.35 feet to a ¾" pin; thence S. 42-23-29 E. 369.64 feet to a railroad spike; thence S. 01-24-34 W. 181.04 feet to a ¾" rebar, and S. 79-02-02 E. 90.25 feet to a 5/8" rebar on the western edge of the right-of-way of Anderson Road (U.S. Highway 21 By-Pass); thence with the western edge of the right-of-way of Anderson Road, S. 11-02-00 W. 301.45 feet to a 5/8" rebar on the western edge of the right-of-way of Anderson Road; thence leaving Anderson Road and running with the line of property, now or formerly, owned by Ashley Partners (Deed Book 462, Page 149; Tax Parcel 634-7-1-23), S. 88-37-45 W. 254.07 feet to a 5/8" rebar, and S. 00-00-00 E. 14.08 feet to a 5/8" rebar in the line of property, now or formerly, owned by Beaty Shopping Center Partnership; thence with the line of the Beaty Shopping Center Partnership property, S. 86-51-30 W. 24.88 feet to a 5/8" rebar, N. 04-55-00 W. 14.90 feet to a 5/8" rebar, S. 86-29-43 W. 226.40 feet to a 5/8" rebar, and S. 47-22-40 W. 201.70 feet to a 5/8" rebar in the eastern line of property identified on said Plat as Tax Parcel 634-7-1-37; thence with the line of said property continuing with the eastern line of property, now or formerly, owned by Charles A. Berry, N. 01-06-59 E. 135.00 feet to a ¾" rebar; thence continuing with the Charles A. Berry line, N. 12-14-46 E. 264.58 feet to a ¾" rebar and N. 24-44-19 W. 99.54 feet to a ¾" rebar, which is the southern line of property, now or formerly, owned by Beaty Shopping Center Partnership, N. 65-30-35 E. 58.99 feet to a 5/8" rebar, N. 02-56-55 W. 189.93 feet to a railroad spike, and N. 44-27-20 W. 55.27 feet to a 5/8" pin on the southeastern edge of the right-of-way of Cherry Road; running thence with the southeastern margin of the right-of-way of Cherry Road, N. 46-13-41 E. 388.02 feet to a ¾" rebar; thence continuing with the southeastern edge of the right-of-way of Cherry Road, N. 46-08-24 E. 136.55 feet to a ½" rebar, being the point or place of beginning. This being the same property shown as Parcels "A" and "E" on map entitled "Plat Showing a Portion of Estate Land of Anna C. Beaty Property," prepared by R.H. Marett, Reg. Sur., March 26, 1974, revised June 20, 1974, recorded in Plat Book 46, Page 93, in the Office of the Clerk of Court for York County, South Carolina, and is hereinafter referred to as the "Premises".

DERIVATION: Title to Real Estate from Beaty and Beaty, LLC dated September 13, 2006, recorded September 15, 2006, in Record Book 8405, Page 7, Office of the Clerk of Court for York County, South Carolina.

Parcel 1: All that certain piece, parcel or tract of land lying being and situate in the City of Rock Hill, York County, South Carolina, containing 1.44 Acres, more or less, the perimeter boundaries of which are described by courses and distances on that certain Plat entitled "Property Surveyed for Beaty Shopping Center Partnership," prepared by J.B. Fisher, South Carolina Registered Land Surveyor 4179-B, dated February 14, 1997, revised October 24, 1997, recorded in Plat Book A-288, Page 1, Office on the Clerk of Court for York County, South Carolina, to which plat reference is hereby made for a more particular description of the said 1.44-acre tract of land.

Tax Map Number: 634-07-01-012

Parcel 2: All that certain piece, parcel or tract of land, containing 0.385 acres, more or less, situate, lying and being in the City of Rock Hill, York County, South Carolina, and being described on that certain Plat entitled "Property Surveyed for Beaty Shopping Center Partnership" prepared by J. B. Fisher, South Carolina Registered Land Surveyor" 4179-B, dated February 14, 1997, revised October 24, 1997, recorded in Plat Book A287, Page 5, Office of the Clerk of Court for York County, South Carolina and being more particularly described according to said Plat as follows:

Beginning at a new 5/8" pin in the western edge of the right-of-way of Anderson Road (U.S. Highway 21 By-Pass), which is the southeastern corner of property, now or formerly, owned by Charlotte Pathology Group, PA (Deed Book 1218, Page 1; Tax Parcel 662-7-1-10), said beginning point being located S. 09-17-25 W. 1,088.02 feet from a PK nail in the centerline of the intersection of Anderson Road and Cherry Road; and running thence with the western edge of the right-of-way of Anderson Road (U.S. Highway 21 By-Pass), S. 11-02-00 W. 145.00 feet to a 5/8" rebar on the western edge of Anderson Road, to the corner of property, now or formerly, owned by Beaty Shopping Center Partnership (Tax Parcel 634-7-1-11); thence running with the line of the Beaty Shopping Center Partnership property, N. 79-02-02 W. 90.25 feet to a 3/4" rebar, and N. 01-24-34 E. 181.04 feet to a railroad spike; thence with the line of property, now or formerly, owned by Beaty Shopping Center Partnership (Tax Parcel 634-7-1-12), S. 62-55-53 E. 9.32 feet to a 3/4" rebar, which is the southwestern corner of the Charlotte Pathology Group, PA property; thence with the southern line of the Charlotte Pathology Group, PA property, S 63-31-40 E. 115.73 feet to a 5/8" pin on the western edge of the right-of-way of Anderson Road (U.S. Highway 21 By-Pass), this being the point of Beginning. This being the same property designated as Parcel "D" on plat entitled "Plat Showing Portion of Estate Lands of Anna C. Beaty Property" prepared by R. H. Marett, Reg. Sur., dated March 26, 1974, and revised June 20, 1974, and recorded in Plat Book 46, Page 93 in the Office of the Clerk of Court for York County, South Carolina, and is hereafter referred to as the "Wachovia at Kmart Parcel."

Derivation: Title to Real Estate from Beaty Shopping center Partnership to Beaty and Beaty, LLC dated October 31, 1997, recorded November 3, 1997, in Record Book 2028, Page 160, Office of the Clerk of Court for York County, South Carolina.

Tax Map Number: 634-07-01-013